

FILED

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NORTH CAROLINA
RALEIGH DIVISION

JAN 28 2000

PEGGY B. DEANS, CLERK
U.S. BANKRUPTCY COURT
EASTERN DISTRICT OF N.C.

IN RE:

INTERNATIONAL HERITAGE,
INC.

CASE NO.: 98-02675-5-ATS
CHAPTER 7

INTERNATIONAL HERITAGE,
INCORPORATED,

CASE NO.: 98-02674-5-ATS
CHAPTER 7

Debtors

**APPELLEE'S DESIGNATION OF ADDITIONAL ITEMS TO BE INCLUDED
IN RECORD ON APPEAL**

Bankruptcy Holmes P. Harden, by and through his undersigned counsel, and pursuant to Rule 8006 of the Federal Rules of Bankruptcy Procedure, hereby designates items to be included in the record on appeal of Acstar Insurance Company's ["Acstar"] appeal of the Court's Order dated January 3, 2000 allowing Trustee's objection to Acstar's Amended Proof of Claim in addition to those items requested by Appellant as follows:

1. Complaint for Injunctive and Other Relief filed by Securities and Exchange Commission in the United States District Court for the Northern District of Georgia on March 16, 1998, Civil Action No. 1 98-CV-0803, attached as Exhibit C to First Amended Complaint for Declaratory Relief filed by Trustee in United States Bankruptcy Court, Eastern District of North Carolina on July 7, 1999, Case no. 98-02675-5-ATS, Adversary Proceeding No. 5-99-00015-5-AP.

2. Notice of Posting of Cash Bond and Order Approving Cash Bond dated April 3, 1998, attached as Exhibit A to Trustee's Verified Objection to Acstar's

Amended Proof of Claim, Notice Thereof and Certificate of Service dated November 2, 1999 ["Trustee's Objection"].

3. Order dated July 1, 1998, attached as Exhibit B to Trustee's Objection.

4. Letter from Henry W. Nozko, Jr. dated July 3, 1998, attached as Exhibit C to Trustee's Objection.

5. UCC-1 Financing Statement filed by Stanley Van Etten as secured party and International Heritage as debtor and attached schedule of collateral and promissory note dated May 27, 1998, attached as Exhibit D to Trustee's Objection.

6. Order Approving Application of Trustee to Enter into Consent to Final Judgment of Permanent Injunction dated June 21, 1999 ["June 21, 1999 Order"].

7. Consent to Final Judgment of Permanent Injunction As to Defendants International Heritage, Inc. and International Heritage, Incorporated, A Nevada Corporation, unsigned and attached to June 21, 1999 Order as Exhibit A.

8. Consent Final Judgment of Permanent Injunction As to Defendants International Heritage, Inc. and International Heritage, Incorporated, A Nevada Corporation, unsigned and attached to June 21, 1999 Order as Exhibit A(1).

9. Release with signature lines for Acstar Insurance Company and United Coastal Insurance Company, unsigned and undated, attached to June 21, 1999 Order as first page of Exhibit B.

10. Release with signature line for Holmes P. Harden, Individually and as Chapter 7 Trustee for International Heritage, Inc. and International Heritage, Incorporated, unsigned and undated, attached to June 21, 1999 Order as second page of Exhibit B.

11. Notice of Application of Trustee for Authority to Enter into Settlement Agreement dated August 9, 1999.

12. Application of Trustee for Authority to Enter into Settlement Agreement dated August 9, 1999.

13. Letter from Michael Flanagan dated August 13, 1999, attached as first page of Exhibit J to Trustee's Objection.

14. Release dated August 5, 1999, signed by purported representative of Acstar Insurance Company and United Coastal Insurance Company, attached as second page of Exhibit J to Trustee's Objection.

15. Order Determining Extent of Automatic Stay and Denying Request for Preliminary Injunction Under 11 U.S.C. §105 dated August 27, 1999.

16. Waiver and Assignment dated October 20, 1999 and all accompanying exhibits, attached as Exhibit E to Trustee's Objection.

17. Trustee's Verified Objection to Acstar's Amended Proof of Claim, Notice Thereof and Certificate of Service dated November 2, 1999.

18. Settlement Agreement undated and signed by Stanley Van Etten on behalf of Mayflower Companies, Holmes P. Harden and Brent Wood, and all accompanying exhibits, attached as Exhibit F to Trustee's Objection.

19. Verified Statement from North Carolina Secretary of State's Office dated October 18, 1999 and attached printouts of all UCC-1 Financing Statements filed with International Heritage as debtor, attached as Exhibit G to Trustee's Objection.

20. Verified Statement from Wake County Register of Deeds Office dated

October 25, 1999, attached as Exhibit H to Trustee's Objection.

21. All proofs of claims filed by the Securities and Exchange Commission in the International Heritage, Inc. and International Heritage, Incorporated bankruptcy cases.


22. Complete copies of all transcripts of hearings identified in Appellant's Designation of Items to be Included in Record on Appeal and Statement of Issues to be Presented.

23. Record from Court of total number of proofs of claims filed in these bankruptcy proceedings to date and the total monetary amount of said proofs of claims.

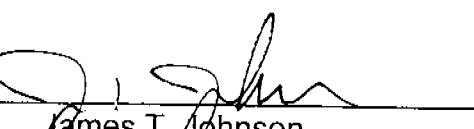
Respectfully submitted, this the 28th day of January, 2000.

LEWIS & ROBERTS, P.L.L.C.

BY:


James A. Roberts, III
State Bar No.: 10495

BY:


James T. Johnson
State Bar No.: 19087
Post Office Box 17529
Raleigh, North Carolina 27619-7529
Telephone: (919) 981-0191

CERTIFICATE OF SERVICE

I, James T. Johnson, Esq., Post Office Box 17529, Raleigh, North Carolina 27619-7529, certify:

That I am, and all times hereinafter mentioned was, more than eighteen (18) years of age:

That on the 28th day of January, 2000, I served copies of the foregoing Appellee's Designation of Additional Items to be Included in Record on Appeal on the creditors named therein and, if known, their counsel of record, at the following addresses:

Marjorie K. Lynch
Bankruptcy Administrator
United States Bankruptcy Court
Post Office Box 3709
Raleigh, North Carolina 27602

Michael P. Flanagan
Ward and Smith, P.A.
120 West Fire Tower Road
Post Office Box 8088
Greenville, North Carolina 27835-8088
Attorneys for ACSTAR

LEWIS & ROBERTS, P.L.L.C.

BY: 

James T. Johnson
State Bar No.: 19087
Post Office Box 17529
Raleigh, North Carolina 27619-7529
Telephone: (919) 981-0191